

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, July 31, 2007, the following members were present:

Greg Jergeson, Chairman
Doug Mood, Vice Chairman
Brad Molnar, Commissioner
Robert H. Raney, Commissioner
Ken Toole, Commissioner

APPEARANCE

Scott Fabel, Utility Division

(292) In the matter of N2007.7.83-Sprint. On July 12, 2007, Sprint filed changes to its Montana P.S.C. Price List No. 1.

Commissioner Raney moved to Approve Sprint's changes to its Montana P.S.C. Price List No. 1 in Docket N2007.7.83. Commissioner Toole seconded the motion, which passed unanimously.

(293) In the matter of N2007.7.84-Qwest. On July 13, 2007, Qwest filed Tariff Transmittal QC 07-01.

Commissioner Mood moved to Approve Qwest's Tariff Transmittal QC 07-01 in Docket N2007.7.84. Commissioner Raney seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Administrator
Transportation & Centralized Services Division

(294) In the matter of TN2355 - Harold F. Stacy, Great Falls, Montana requests permission to continue the lease of PSC 408 to AA Moving Transfer & Storage LLC, Whitefish, Montana for a one year period, July 26, 2007 to July 26, 2008.

Commissioner Toole moved to approve the lease as applied for. Commissioner Jergeson seconded the motion, which passed unanimously.

(295) In the matter of the approval of Commission Minutes for the week of July 23, 2007:

Commissioner Mood moved to approve the Commission Minutes for the week of July 23, 2007. Commissioner Raney seconded the motion, which passed unanimously.

APPEARANCE
Jim Paine, Legal Division

(296) In the matter of the Commission's discussion of D2005.12.174-Level 3 Communications L.L.P. request to withdraw its Petition for Arbitration of Interconnection Agreement with Qwest & opt into Qwest's SGAT:

Commissioner Raney moved to approve Level 3's request to withdraw its Petition for arbitration of Interconnect Agreement with Qwest and to opt into Qwest's SGAT, to continue with its current Qwest agreement until Qwest and Level 3 agreement is agreed upon, and issue the draft order as a final order with minor edits. Commissioner Toole seconded the motion, which passed unanimously.

APPEARANCE
Al Brogan, Legal Division
Kate Whitney, Administrator
Utility Division

(297) In the matter of the Commission's discussion of D2006.6.82-NorthWestern Energy Corporation and Babcock and Brown Infrastructure Joint Application for approval of the sale and transfer of NorthWestern Corporation pursuant to a merger agreement:

Commissioner Molnar moved the draft order be issued as the final order with the amendments brought with the new paragraphs (new paragraphs attached to work session sheet) at the end of the "Procedural Background" section, and subject to minor editing changes. Commissioner Toole seconded the motion, which passed unanimously.

APPEARANCE
Mike Lee, Utility Division
Jim Paine, Legal Division

(298) In the matter of the Commission's discussion of D2007.7.79-MDU's application for authority to establish increased rates:

Commissioner Raney moved to approve the MDU QF tariff on an interim basis, subject to final approval in D2007.7.79 with the interim rates subject to finalization with any necessary true-up to account for the time value of money. Commissioner Jergeson seconded the motion, which passed 4-1. Commissioner Molnar voted no.

APPEARANCE
Martin Jacobson, Legal Division
Will Rosquist and Mike Lee, Utility Division

(299) In the matter of the Commission's discussion of D2003.7.86, D2006.6.94 and D2007.6.59-NorthWestern Energy '03, '04, '05 (consolidated), '06, '07 Annual Qualifying Facility Avoided Cost Dockets.

Commissioner Raney moved to deny CELP's motion to submit a compliance filing. Commissioner Toole seconded the motion, which passed unanimously.

Commissioner Raney moved to approve the NorthWestern Energy June 28th compliance filing and associated tariffs, and that the Commission approve the substitute QF1 tariff referencing the availability of option 2 as a replacement for the STPP and as a short term rate for QFs larger than 3 megawatts in size. Commissioner Molnar seconded the motion, which passed unanimously.

Commissioner Toole moved to consolidate '06 and '07 dockets in D2006.6.94 and D2007.6.59. Commissioner Raney seconded the motion, which passed unanimously.

Commissioner Raney moved to deny CELP's motion for clarification and include instruction to CELP to file the motion with NorthWestern Energy. Commissioner Mood seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Administrator
Transportation & Centralized Services Division

(300) In the matter of the Commission's discussion of FY 08 dues assessment, other budget items as needed:

Commissioner Jergeson moved to adopt the column proposed for the three items as follows: SFY 2006 NARUC -\$7,967.00; SFY 2008 NRRI-\$10,500.00; MT Shared Catalog-\$612.00. (Column figures attached to work session sheet). Commissioner Raney seconded the motion, which passed unanimously.

There being no further business to come before the Commission the meeting was adjourned.

GREG JERGESON, Chairman

DOUG MOOD, Vice Chairman

BRAD MOLNAR, Commissioner

ROBERT H. RANEY, Commissioner

KEN TOOLE, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)